Build NYC Resource Corporation
Finance Committee Meeting

The Finance Committee convened on July 16, 2026, to discuss the following project(s):

- HLA 2286 Cropsey, LLC
- Hadran Academy, Inc. & Lawrence Charitable Trust

Finance Committee Members: Richard Eaddy, Francesco Brindisi
Build NYC and NYCEDC Staff Members: Noah Schumer, Michael Parella, Weston Rich, Sophie King, Leyla Arcasoy, Tami Ajibade, Caitlin Holden

Start: 4:32 PM
End: 4:58 PM

HLA 2286 Cropsey, LLC

HLA 2286 Cropsey, LLC, a New York limited liability company and a disregarded entity for federal income tax purposes (the “Borrower”) whose sole member is Friends of HLA 2, Inc. (“Friends”), a New York not-for-profit corporation exempt from federal income taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), is seeking approximately $55,255,000 in tax-exempt bonds and/or taxable bonds (the “Bonds”). The tax-exempt bonds will be issued as part of a plan of finance as qualified 501(c)(3) bonds for educational facilities under Section 145 of the Code. Friends is a support organization for Hebrew Language Academy Charter School 2 (the “School”), a New York not-for-profit education corporation exempt from federal taxation pursuant to Section 501(c)(3) of the Code. The school currently operates a public charter school in an approximately 37,539 square foot condominium unit (the “Existing School Unit”), which Friends leases from a third-party owner and subleases to the school. The Existing School Unit comprises the third floor of an approximately 298,358 square foot, 23-story mixed-use building (the “Building”) located on an approximately 45,688 square foot parcel of land located at 2286 Cropsey Avenue, Brooklyn, New York. Proceeds of the Bonds will be used to (i) finance the acquisition by the Borrower of three condominium units in the Building totaling approximately 82,059 square feet, including (a) the Existing School Unit, (b) a condominium unit located on the building’s 2nd floor consisting of a 134-space parking garage to be used exclusively for School purposes, and (c) a condominium unit to be located on the building’s 1st floor to be used for classrooms and ancillary School activities (collectively, the “Facility”); (ii) fund a debt service reserve fund; (iii) fund capitalized interest; and (iv) pay for certain costs related to the issuance of the Bonds ((i-iv) collectively, the “Project”). The Borrower will own the Facility and common area elements related to the condominium units and will lease the Facility to the School. The School will operate the Facility as a public charter school expanding its enrollment to serve up to 701 students from pre-kindergarten through Grade 8.

Mr. Brindisi asked for clarification regarding the location of the site and how long the School had been at its current facility. Ms. King stated that the School opened in 2017 at a smaller leased space on Stillwell Avenue and has since completed its second year at its current location.

Mr. Brindisi asked about the projected increase in enrollment and whether the School was confident it could add approximately 140 students while also adding a new grade. Ms. King confirmed that the School is doubling its pre-K from 18 to 36 students, adding at least one kindergarten class, and projecting growth across all grade levels supported by an existing waitlist and increased demand generated by the move to the new Facility.

Mr. Brindisi asked why the projections were conservative given that level of demand. Ms. King stated that the School is applying to the New York State Education Department for a charter enrollment increase that would allow it to serve up to 700 students, which the Facility can accommodate. She noted that the School plans to apply by December and could receive approval by next July, but that the projections assume the increase is not granted. Mr. Schumer added that staff had every reason to believe the increase would be approved but did not want to reflect it in the projections until it materialized.

Mr. Eaddy asked whether the 130 parking spaces were designated for teachers and staff. Ms. King stated that, per the terms of the deal, the spaces will be for exclusive School use, with approximately 70 to 80 spaces expected to be used daily by staff. Ms. King noted that the area is not well served by public transit and that ample parking is viewed as important for staff recruitment and retention, as well as for encouraging parent participation in School programming.

Mr. Eaddy asked whether there is other parking at the building. Ms. King stated that there are approximately 10 spaces in an external lot, that the School would otherwise rely on street parking, and that there is cellar parking in the building reserved for residents.

With no additional questions, the Committee recommended the Project to seek authorization at the July 21st Board meeting.

<u>Hadran Academy, Inc. & Lawrence Charitable Trust</u>
Hadran Academy, Inc. (the "School"), a New York religious corporation that is exempt from federal income taxation pursuant to section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), is an independent, private day school that provides specialized educational and therapeutic services for students aged 9 through 21 who are diagnosed with Autism Spectrum Disorder ("ASD") or other disability. Lawrence Charitable Trust (the "Trust", and together, with the School, "co-Borrowers"), is a New York not-for-profit organization exempt from federal income taxation pursuant to section 501(c)(3) of the Code. The Trust was created to support the School in the undertaking of this project and will be a co-Borrower, under common control. As part of a plan of financing, the School and the Trust are seeking the issuance of $55,000,000 in tax-exempt and/or taxable bonds, the proceeds of which will be used to: (i) finance or refinance the costs of acquiring an existing approximately 6,000 square foot vacant warehouse located on an approximately 10,000 square foot parcel of land located at 50 Lawrence Avenue, Brooklyn, New York (the "Property"); (ii) demolish the existing structure on the Property; (iii) construct, developing, and furnishing a 6-story (plus cellar) approximately 58,322 square foot educational facility on the Property (the "Facility"); (iv) fund debt service reserve funds(s), if any; (v) fund capitalized interest; and (vi) pay for certain costs relating to the issuance of the Bonds ((i-vi) collectively, the "Project"). The Trust currently owns the Property and will lease the Facility to the School. The School will operate the Facility as a private school serving approximately 196 students with ASD from ages 9 through 21.

Mr. Brindisi asked how much enrollment had declined. Ms. Arcasoy stated that enrollment had decreased by an average of approximately 6% per year.

Mr. Brindisi asked about change in employment. Ms. Arcasoy stated that staffing has increased over the past year as the School reviewed and revised its projections. She noted that a number of students have transitioned back into mainstream educational environments, which the School considers a success. Ms. Arcasoy continued that the School has therefore taken a more conservative approach to its enrollment pipeline for future years while continuing to train and register additional teachers and therapists.

Mr. Brindisi asked when the School plans to build and operate the Facility and where students are currently housed. Ms. Arcasoy stated that the Facility is anticipated to be operational in fiscal year 2030. She noted that the School operated three facilities at the time the Project was last presented, it has since leased a fourth, and that all students are currently served across those four facilities.

Mr. Brindisi asked why fiscal year 2025–2026 in the pro forma is listed as projected. Mr. Schumer stated that the figures are shown as projections because the audit is not yet available.

With no additional questions, the Committee recommended the Project to seek authorization at the July 21st Board meeting.

Noah Schumer (Sep 3, 2026 16:31:51 EDT)

Noah Schumer
Deputy Executive Director, Build NYC